

STATE OF MICHIGAN  
COURT OF APPEALS

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MIG-LATHRUP PARK ASSOCIATES,

Petitioner-Appellee,

v

CITY OF LATHRUP VILLAGE,

Respondent-Appellant.

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UNPUBLISHED

June 3, 1997

No. 193028

Tax Tribunal

MTT No. 00164840

Before: Smolenski, P.J., and Kelly and Gribbs, JJ.

PER CURIAM.

Respondent appeals as of right from an opinion and judgment of the tax tribunal establishing the assessed value of petitioner's condominium complex for the tax years 1991 through 1993. We affirm.

Petitioner was the owner of a forty-eight unit condominium complex during the tax years at issue in this case. Although built for use as condos, the units were never sold but instead were rented as apartments. For the tax years 1991 through 1993, respondent assessed the property at \$1,274,000, representing fifty percent of its estimated true cash value. Petitioner challenged the assessments, and after a hearing at which petitioner's appraiser, Frederick Morgan, and respondent's appraiser testified regarding their respective value determinations, the administrative law judge ("ALJ") issued a proposed opinion and judgment in which she adopted the income approach to valuation presented by petitioner's appraiser and determined that the true cash value of the property was \$1,872,000 for each of the three tax years. Respondent then filed exceptions to the proposed judgment. However, the tribunal judge rejected respondent's assertions of error, and entered an opinion and judgment in which he adopted and incorporated the ALJ's findings of fact and conclusions of law.

Respondent contends that the tribunal erred in admitting Morgan's appraisal and allowing him to testify at the hearing. We disagree. Absent fraud, this Court's review of a tax tribunal decision is limited to determining whether the tribunal made an error of law or adopted a wrong legal principle. *Gillette Co v Dep't of Treasury*, 198 Mich App 303, 306; 497 NW2d 595 (1993). Thus, we may review the tribunal's rulings on evidentiary issues if they involve errors of law. *Alhi Development Co v Orion Twp*, 149 Mich App 319, 323; 385 NW2d 782 (1986); see also *Vomvolakis v Dep't of*

*Treasury*, 145 Mich App 238, 246-247; 377 NW2d 309 (1985). Here, respondent asserts that the tribunal's decision to admit Morgan's appraisal and allow him to testify violated TTR 252. The tribunal rule provides in its pertinent part:

Without permission of the tribunal for good cause shown, an assessor or expert witness may not testify as to the value of property without submission of a written report, such as an appraisal or an appraisal card, containing the person's value conclusions and the basis therefor. [1979 AC, R 205.1252(1).]

In this case, Morgan submitted a written appraisal containing his value conclusion and details of the method used to calculate value. However, he admitted that he obtained most of his factual information from a prior market analysis of the condominium complex and that he omitted updated information and data from the written appraisal. He testified that he agreed with the market analysis, and before calculating the value of the property, counter-checked the information contained therein and supplemented the analysis with updated sales information. Rather than simply adopting adjustment factors used in the prior study, Morgan maintained that he determined through his own analysis that the factors previously used were equally applicable to the tax years involved in this case.

Upon review of the tribunal's decision, we find that it did not err in admitting the appraisal and allowing Morgan to testify at the hearing. In addressing evidentiary issues, the tribunal must follow the rules of evidence as far as practicable, but "may admit and give probative effect to evidence of a type commonly relied upon by reasonably prudent men in the conduct of their affairs." MCL 205.746(1); MSA 7.650(46)(1); MCL 24.275; MSA 3.560(175); 1979 AC, R 205.1410(1). Contrary to respondent's assertion, TTR 252 does not require that the expert witness personally gather all the underlying data used in his valuation determination. Rather, under MRE 703, an expert may base his opinion on hearsay and the findings and opinions of other experts. *Triple E Produce Corp v Mastonardi Produce Ltd*, 209 Mich App 165, 175; 530 NW2d 772 (1995). Accordingly, we find that the tribunal did not err in admitting Morgan's appraisal and allowing him to testify at the hearing because he complied with TTR 252 by submitting a written report that, while somewhat incomplete, contained his value conclusions and basis therefor.

Affirmed.

/s/ Michael R. Smolenski

/s/ Michael J. Kelly

/s/ Roman S. Gribbs